

**IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF VIRGINIA
CHARLOTTESVILLE DIVISION**

MICHAEL DONALDSON,

Plaintiff,

v.

TRAE FUELS, LLC., et al.

Defendants.

Case No.: 3:18CV00097

DECLARATION OF KEVIN WHYRICK

I, Kevin Whyrick, am over the age of 18 and make this declaration on personal knowledge.

1. I am Vice President - Finance of EnviroTech Services, Inc. and held that position during the time that Michael Donaldson was controller of Trae Fuels (October 2013 to August 2014).
2. In my role as VP - Finance of EnviroTech, Mr. Donaldson did not directly report to me, but I had at least weekly interactions with Mr. Donaldson in connection with his work as controller of Trae Fuels. Based on his poor work performance and inability to develop any financial strategy for Trae Fuels, the management team and myself made the decision to terminate his employment in August 2014.
3. Based on my observations shortly after he was hired, and continuing through the end of his employment, Mr. Donaldson did not have the ability to develop corporate strategy from the financial side, which was an integral part of the controller position at Trae Fuels.

4. I began to have concerns about Mr. Donaldson after he made repeated mistakes on the company financial software system (IFS) beginning in late 2013. We brought Mr. Donaldson to our corporate offices in Greeley, CO for training, and sent people from EnviroTech corporate headquarters in Greeley, Colorado to Trae Fuels in Bumpass, Virginia several times, and had numerous phone calls on issues that he didn't understand.
5. We sent our controller, assistant controller and costing person from Colorado to Virginia numerous times to train him and try and get him up to speed. Over time it became evident that he was struggling with IFS and was not getting it. We got to the point, where we would have the same conversations over and over, and he was not retaining what we taught him. IFS is a fully integrated Enterprise Resource Planning (ERP) system and has the same requirements and functions as other systems like SAP, Oracle, etc. Michael had represented in his interviews that he had experience with these types of systems and was able to work in them well. He had also represented that he had manufacturing experience, with all these job requirements that were mentioned. We hired him based on these representations. In fact, it appeared that he had very little understanding or experience with enterprise financial software of this kind.
6. Most of the problems with Michael's lack of skill on the IFS system began long before he told us that he had health issues in May 2014.
7. Another major issue that showed Michael's poor understanding of Trae Fuels' finances occurred in June 2014 when the company ran out of cash and had to borrow on an emergency basis in excess of its Line of Credit. It was Michael's job to make sure that he projected and monitored the cash situation to be sure that this didn't happen. In the banks' view this is not a good thing, and it was communicated to Michael that we do not

want to over draw our line of credit. However, he did not take any responsibility for this and was quick to blame the plant, the General Manager John Frink, and others for his having allowed this to happen. This shows the lack of accountability and proactivity that we were seeing from Michael on a lot of things. This became a situation because he was not proactive in his cash projections. With more proactivity we would not have been in this situation at all. It became an emergency, and we ended up having to scramble to resolve it.


8. On several occasions I reviewed the cash flow analysis prepared by Michael for Trae Fuels only to find that there was missing data. There were specific items that Michael failed to enter into the cash flow analysis which resulted in financial reports that were inaccurate and unreliable.
9. Shortly after Michael told us that he was sick, we decided to hire a temporary accountant to give Michael some support. After the temporary accountant had been working for less than a week, Michael told me that he did not need any help, that he could do his job fine without help, and that we should let the temporary accountant go.
10. The management group decided that our Human Resources Manager Beth Aleman should go to Trae Fuels in early June and have a sit down counseling session with Michael Donaldson to talk about ways in which to improve his performance and productivity. We continued to observe Michael's performance over the next few weeks. Despite Beth Aleman's counseling meeting with Michael, there was no improvement in his performance or productivity.
11. On July 3, 2014, I prepared and signed a long memorandum to the file which set forth my observations about Michael Donaldson's job performance. I have attached that memo as

Exhibit 7. At the end of the memo I noted that "I seriously question whether Michael will be able to adequately fill the role we hired him for as the manufacturing controller for Trae Fuels."

12. I personally am a survivor of Stage III colon cancer and would not think to have someone replaced because they had cancer or because I thought that they were going to die. The situation with Michael was about his performance issues and his inability to do the Controller job. Most of these issues started before Michael had any health issues or was aware of any health issues. His dismissal was solely based on his lack of performance. We tried to help Michael learn and do his job correctly over time, but he just did not get it.

13. Pursuant to 28 U.S.C. § 1746, I hereby declare under penalty of perjury that the foregoing is true and correct.

Date: 10/29/19


Kevin Whyrick